



APR - 5 2005

MEMORANDUM FOR DOL AGENCY HEADS

FROM:

FREDERICO JUARBE
Assistant Secretary for
Veterans' Employment and Training

JOSE A. LIRA
Director
Office of Small Business Programs

PATRICK PIZZELLA
Assistant Secretary for Administration and Management,
Chief Acquisition Official

SUBJECT:

Contracting with Service-Disabled Veteran-Owned Small
Businesses

In accordance with the attached memorandum from Secretary Elaine L. Chao, dated March 31, 2005, we are asked to implement the strategies to meet President George W. Bush's Executive Order 13360 to increase federal contracting and subcontracting opportunities for service-disabled veteran-owned small businesses (SDVOSB). This Presidential initiative follows the President's ownership society theme by assisting service-disabled veterans to create and grow their own businesses. By committing your agency to award at least 3% of its contract dollars to SDVOSBs, you will contribute to the Department meeting the President's 3% goal.

About five years ago, Congress established a recommended 3% annual goal for contracts to SDVOSBs government-wide. On October 20, 2004, the President placed even greater emphasis on this target by issuing Executive Order 13360—Contracting With Service-Disabled Veterans' Businesses. Historically, this goal has not been met. In FY 2004, awards to SDVOSBs were 0.4% for DOL and only 0.2% government-wide.

The Veterans' Employment and Training Service (VETS) is leading this initiative within DOL, with support from the Office of Small Business Programs (OSBP) and the Office of the Assistant Secretary for Administration and Management (OASAM). We will be meeting with each of you to ensure designation of specific contractual requirements to be performed by SDVOSBs via a revised agency acquisition plan. DOL must award nearly \$50 million to SDVOSBs annually, based on our total annual contract spending of approximately \$1.5 billion. Your support is needed to ensure that your agency complies with the strategies and awards 3% of your contract dollars to SDVOSBs.

OSBP will publish a directory of SDVOSBs that have expressed interest in doing business with the Department. OSBP will also orient your staff to the Central Contractor Registration (CCR)—Dynamic Small Business Search, and the GSA Schedule e-Library databases as tools available to identify SDVOSBs to perform your requirements. We will also assist you in meeting your SDVOSB goals by offering relevant training for DOL procurement staff during DOL's Annual Procurement Conference scheduled for June of this year. In addition, OASAM has identified a SDVOSB on-line training module through the Defense Acquisition University which your staff may take free of charge by registering at <http://www.dau.mil>.

We ask that your program offices consider every requirement (including orders via GSA Federal Supply Schedules and other government-wide acquisition contracts) for performance by potential SDVOSB sources. This should include documentation of best faith efforts to identify service-disabled veteran-owned small businesses to fulfill requirements.

We look forward to collaborating with you to attain our SDVOSB goal. If you have questions concerning this initiative, please have staff contact Gordon Burke for VETS at 693-4707, Fritz Trakowski for OSBP at 693-6465, or Al Stewart for OASAM, at 693-4028.

Thank you for your support.

Attachment

SECRETARY OF LABOR
WASHINGTON

MAR 31 2005

MEMORANDUM FOR AGENCY HEADS

FROM:

ELAINE L. CHAO



SUBJECT:

Implementation of Executive Order 11360—
Contracting with Service-Disabled Veteran Businesses

On October 20, 2004, President George W. Bush signed Executive Order 13360 to increase Federal contracting and subcontracting opportunities for service-disabled veteran owned small business (SDVOSB). Executive Order 13360 requires each Federal agency to develop strategies to award not less than 3 percent of its annual contracting dollars to SDVOSBs, and specifically requires the Department of Labor (DOL) to direct the Transition Assistance Program to educate separating service members as to the benefits available to service-disabled veteran businesses and as to potential entrepreneurial opportunities. The Order also requires the each Federal agency designate a senior-level official who shall be responsible for developing and implementing the agency's strategy.

On February 9, 2005, I designated Frederico Juarbe, Assistant Secretary for Veterans' Employment and Training as DOL's designated senior official to lead the Department in complying with the Executive Order. In meeting this challenge, I have asked Assistant Secretary Juarbe to coordinate with Jose Lira, Director, Office of Small Business Programs; Patrick Pizzella, Assistant Secretary for Administration and Management/Chief Acquisition Officer; and you to ensure that the Department meets the goal of awarding 3 percent of its annual contract dollars to service-disabled veteran owned businesses.

Based on the Department's total FY 2004 contract spending of \$1.5 billion, DOL must award approximately \$50 million to SDVOSBs. To that end, I ask that you assist Assistant Secretary Juarbe in this effort by committing to designate suitable contracts that contribute to the goal. You will soon receive more detailed information from Assistant Secretaries Juarbe, Pizzella, and Director Lira on our plan to achieve the goal.

Your cooperation is appreciated.